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SUBJECT: NRW SPD TRIES TO EMERGE FROM CRISIS WITH A NEW LEADER:

HANNELORE KRAFT

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11. (SBU) Summary: The SPD in North-Rhine Westfalia (NRW) has placed its hopes in Hannelore Kraft, SPD floor leader in the Landtag, to lead the party out of the crisis it has been in since being ejected from power in 2005 after 39 years. The party chose Kraft, its third leader since 2005, at a special convention in Bochum on January 20 to rebuild the party and lead its challenge to the CDU-FDP coalition in state elections in 12010. Kraft is young (45) and has climbed to the top of her party very quickly, in part because of her energy and intellect but also because of a paucity of alternatives and disarray in her party. She has been Science Minister, Minister for Europe, and SPD leader in the Landtag, but still suffers from weak name recognition (as many as 90% of NRW residents in a recent poll did not know who heads the NRW SPD). She has several years, however, to correct this weakness and to rebuild her party before facing the voters. Kraft has been accessible and is well and favorably known to the Consulate. End Summary.

Overwhelming Support for the New "Power Woman"

- 12. (SBU) The SPD convened a special state convention in Bochum on January 20 to elect a new chairperson, following the resignation in December 2006 of Jochen Dieckmann, ostensibly "for personal reasons," but above all because of his lack of success in reinvigorating the party in NRW. The sole candidate for the top position, Kraft received 95.6 percent of the votes cast by the 429 convention delegates, an extremely good result, given that she joined the SPD only 12 years ago and did not rise through the ranks of the party, normally a prerequisite for a leadership position in the NRW SPD. With the two top leadership positions of the NRW SPD (Landtag floor leader and state party chairperson) combined in her hands, Kraft will, barring unforeseen problems, challenge Minister-President Juergen Ruettgers (CDU) in the 2010 state elections, although her official nomination as the SPD candidate will not come until later.
- 13. (U) As state chairperson of the by far largest SPD state organization in Germany, Kraft should also play an increasingly important role in national SPD affairs in coming years. Both SPD national chairman Kurt Beck and Vice Chancellor Fritz M|ntefering expressed this expectation in their speeches at the Bochum convention, in which they hailed Kraft as the new "power woman" from NRW (playing on her last name, which means "power" in German). An influential delegate told us that Kraft, already a member of the SPD's national executive committee, will move up to the Presidium within the next two years and later possibly also become one of the national vice chairpersons of the SPD (a position currently held by Bonn Lord Mayor Bdrbel Dieckmann).

44. (U) Invoking traditional Social Democratic values and denouncing neo-liberalism in her one-hour speech at the convention, Kraft went to great lengths to present herself as a dyed-in-the-wool Social Democrat. While freely acknowledging that she was a latecomer in the SPD, and regretting that she had never been a member of its youth organization, she made it a point to invoke traditional Social Democratic values and to underscore her support for current SPD positions, (for higher minimum wages, against university tuition fees, against further privatization of public services, against further cuts in social benefits, for retaining a certain level of government subsidies for the hard coal mining industry and against nuclear energy). She sharply attacked the CDU-FDP coalition in the state, which she accused of trying to sound like Social Democrats while pursuing neo-liberal policies. She denounced Ruettgers' efforts to style himself as a champion of social justice as "dishonest and not authentic."

Comment

15. (SBU) Kraft, the youngest SPD state chairperson in NRW history and the first woman in that position, faces major tasks including: restoring self-confidence to a seriously weakened party that remains demoralized after its historic defeat in 2005 after 39 years in power; returning the SPD to the offensive in its largest bastion nationwide; and preparing the way for another chance at power in 2010. She is fully aware of the difficulties ahead, but her excellent showing in Bochum is a good start. Aides to Ruettgers have told the CG he is not taking her challenge lightly, as we saw recently when NRW CDU General Secretary Hendrik Wuest devoted most of a recent New Year speech to attacking her. Political observers here recall that in 2000 in Essen, just 10 miles from the Bochum convention hall, Angela Merkel (at the time the same age as Kraft is today and also a "latecomer" to her party) was elected national CDU leader after her party had fallen from power and was demoralized. Many political observers then only saw the odds against Merkel and underestimated her political mettle,

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strengths, and ability to overcome the odds. Ruettgers and the CDU and FDP in NRW have begun to take Kraft more seriously, in part because of her potential as a political "power woman." End Comment.

Bio Note

- (SBU) Hannelore Kraft's political career is unusual for NRW SPD leaders. She did not rise through the party's youth wing, joining the SPD in 1994 at the relatively late -- by NRW standards -- age of 33. Her atypical career path has been to her advantage, as she has benefited from the party's search for a fresh, dynamic face after its crushing defeat in May 2005 after 39 years governing the state. Her career trajectory has been steep, having entered elective politics only in 2000, as the (surprise) winner of a seat in the Landtag in her hometown, the industrial city of Muelheim (Ruhr). She was reelected in May 2005 for a second term and shortly thereafter as opposition leader in the NRW Landtag by an overwhelming majority. Her success has been due in large part to her excellent record as Minister for Science and Research (under former NRW Minister-President and current Federal Finance Minister Peer Steinbrueck, a position she held from November 2002 to May 2005), and Federal and European Affairs (under Minister Wolfgang Clement April 2001-November 2002), her articulate and feisty personality, as well as the party's search for a young, charismatic leader.
- 17. (U) Kraft is interested in close contacts with the United States and has been accessible and friendly in interactions with the CG and other CG Duesseldorf staff. She has visited the United States at least once (i.e. Silicon Valley), while Minister for Science and Research. Before entering politics, she worked as a consultant in a technology center in the Ruhr area 1989-2000. She was born into a working class family, has

degrees in banking (BA equiv) and macroeconomics (MA equiv) from Duisburg University and also studied at King's College, London. Her husband Udo is an electrician who runs a small business. They have one 13 year old son, Jan. The Krafts live in a house together with her mother in Muelheim.

 $\underline{\mbox{\tt 18.}}$ (U) This message was coordinated with Embassy Berlin. BOYSE